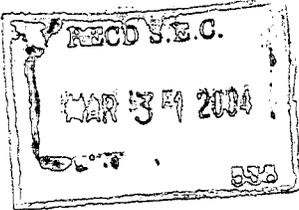


File Number: **84-6081**
 For the reporting period ended December 31, **2003**



OMB APPROVAL
 OMB Number: 3235-0337
 Expires: September 30, 2006
 Estimated average burden hours per full response: . . . 6.00
 Estimated average burden hours per intermediate response: 1.50
 Estimated average burden hours per minimum response50



UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

FORM TA-2

**FORM FOR REPORTING ACTIVITIES OF TRANSFER AGENTS
 REGISTERED PURSUANT TO SECTION 17A OF THE SECURITIES EXCHANGE ACT OF 1934**

**ATTENTION: INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACT
 CONSTITUTE FEDERAL CRIMINAL VIOLATIONS.
 See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a)**

1. Full name of Registrant as stated in Question 3 of Form TA-1:
 (Do not use Form TA-2 to change name or address.)

WELLS CAPITAL, INC.

2. a. During the reporting period, has the Registrant engaged a service company to perform any of its transfer agent functions?
 (Check appropriate box.)

All Some None

b. If the answer to subsection (a) is all or some, provide the name(s) and transfer agent file number(s) of all service company(ies) engaged:

Name of Transfer Agent(s):	File No. (beginning with 84- or 85-):

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c. During the reporting period, has the Registrant been engaged as a service company by a named transfer agent to perform transfer agent functions?

Yes No

d. If the answer to subsection (c) is yes, provide the name(s) and file number(s) of the named transfer agent(s) for which the Registrant has been engaged as a service company to perform transfer agent functions: (If more room is required, please complete and attach the Supplement to Form TA-2.)

Name of Transfer Agent(s):	File No. (beginning with 84- or 85-):

7-7-04

3. a. Registrant's appropriate regulatory agency (ARA): (Check one box only.)
- Comptroller of the Currency
 - Federal Deposit Insurance Corporation
 - Board of Governors of the Federal Reserve System
 - Securities and Exchange Commission
- b. During the reporting period, has the Registrant amended Form TA-1 within 60 calendar days following the date on which information reported therein became inaccurate, incomplete, or misleading? (Check appropriate box.)
- Yes, filed amendment(s)
 - No, failed to file amendment(s)
 - Not applicable
- c. If the answer to subsection (b) is no, provide an explanation:

If the response to any of questions 4-11 below is none or zero, enter "0."

4. Number of items received for transfer during the reporting period: 3422
5. a. Total number of individual securityholder accounts, including accounts in the Direct Registration System (DRS), dividend reinvestment plans and/or direct purchase plans as of December 31: 145,906
- b. Number of individual securityholder dividend reinvestment plan and/or direct purchase plan accounts as of December 31: 87,850
- c. Number of individual securityholder DRS accounts as of December 31: 0
- d. Approximate percentage of individual securityholder accounts from subsection (a) in the following categories as of December 31:

Corporate Equity Securities	Corporate Debt Securities	Open-End Investment Company Securities	Limited Partnership Securities	Municipal Debt Securities	Other Securities
<u>0</u>	<u>0</u>	<u>0</u>	<u>14.60%</u>	<u>0</u>	<u>85.40%</u>

6. Number of securities issues for which Registrant acted in the following capacities, as of December 31:

	Corporate Securities		Open-End Investment Company Securities	Limited Partnership Securities	Municipal Debt Securities	Other Securities
	Equity	Debt				
a. Receives items for transfer and maintains the master securityholder files:	<u>0</u>	<u>0</u>	<u>0</u>	<u>14</u>	<u>0</u>	<u>2</u>
b. Receives items for transfer but does not maintain the master securityholder files:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
c. Does not receive items for transfer but maintains the master securityholder files:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

7. Scope of certain additional types of activities performed:

- a. Number of issues for which dividend reinvestment plan and/or direct purchase plan services were provided, as of December 31: 16
- b. Number of issues for which DRS services were provided, as of December 31: 0
- c. Dividend disbursement and interest paying agent activities conducted during the reporting period:
 - i. number of issues 15
 - ii. amount (in dollars) \$ 179,470,379.41

8. a. Number and aggregate market value of securities aged record differences, existing for more than 30 days, as of December 31:

	Prior Transfer Agent(s) (If applicable)	Current Transfer Agent
i. Number of issues	N/A	0
ii. Market value (in dollars)	N/A	0

- b. Number of quarterly reports regarding buy-ins filed by the Registrant with its ARA (including the SEC) during the reporting period pursuant to Rule 17Ad-11(c)(2): 0

c. During the reporting period, did the Registrant file all quarterly reports regarding buy-ins with its ARA (including the SEC) required by Rule 17Ad-11(c)(2)?

Yes No

d. If the answers to subsection (c) is no, provide an explanation for each failure to file:

9. a. During the reporting period, has the Registrant always been in compliance with the turnaround time for routine items as set forth in Rule 17Ad-2?

Yes No

If the answer to subsection (a) is no, complete subsections (i) through (ii).

- i. Provide the number of months during the reporting period in which the Registrant was not in compliance with the turnaround time for routine items according to Rule 17Ad-2. 7
- ii. Provide the number of written notices Registrant filed during the reporting period with the SEC and with its ARA that reported its noncompliance with turnaround time for routine items according to Rule 17Ad-2. 0

10. Number of open-end investment company securities purchases and redemptions (transactions) excluding dividend, interest and distribution postings, and address changes processed during the reporting period:

- a. Total number of transactions processed: 0
- b. Number of transactions processed on a date other than date of receipt of order (as ofs): 0

11. a. During the reporting period, provide the date of all database searches conducted for lost securityholder accounts listed on the transfer agent's master securityholder files, the number of lost securityholder accounts for which a database search has been conducted, and the number of lost securityholder accounts for which a different address has been obtained as a result of a database search:

Date of Database Search	Number of Lost Securityholder Accounts Submitted for Database Search	Number of Different Addresses Obtained from Database Search
0	0	0

- b. Number of lost securityholder accounts that have been remitted to states during the reporting period: 0

SIGNATURE: The Registrant submitting this Form, and the person signing the Form, hereby represent that all the information contained in the Form is true, correct, and complete.

Manual signature of Official responsible for Form: 	Title: OPERATIONS PRINCIPAL Telephone number: 770-243-8471
Name of Official responsible for Form: (First name, Middle name, Last name) JOHN TYLER MATTINGLY	Date signed (Month/Day/Year): 03/30/2004



March 11, 2004

Division of Market Regulation
 United States Securities and Exchange Commission
 450 Fifth Street, NW
 Washington, DC 20546

**Subject: Wells Capital Inc. – Transfer Agent: SEC No. 84-6081
 Written Notice Under Rule 17Ad-2(c)
 Turnaround, Processing and Forwarding of Items**

To Whom It May Concern:

In accordance with Rule 17Ad-2(c) under the Securities Exchange Act of 1934, Wells Capital, Inc., a registered transfer agent, files this written notice regarding its failure to comply with Rule 17Ad-2(a) during February 2004. Following is the information required under Rule 17Ad-2(c):

Number of Routine Items Received During February, 2004	Number of Non-Routine Items Received During February, 2004	Number of Routine Items Transfer Agent Failed to Turnaround in 3 Business Days	Percent that such Routine Items Represent of All Routine Items Received During February, 2004	Number of Routine Items at Close of Business February, 2004 over 4 Business Days Old Total: 17
175	91	62	35.43%	5 Days Old - 6 6 Days Old - 3 8 Days Old - 1 9 Days Old - 4 11 Days Old - 1 20 Days Old - 1 21 Days Old - 1

The primary reason for the failure to meet the turnaround requirements of Rule 17Ad-2(a) was employee staffing. In early February 2004, the Transfer Agent Department lost a key employee whose main duties included the processing of items for transfer. Subsequently, a new employee was hired, on February 12, 2004, to assume these responsibilities. Intensive training of our new employee, along with cross training of other employees in the Transfer Agent Department, have been instituted in an effort to

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Securities Exchange Commission

Wells Capital Inc. Transfer Agent Activities: SEC No. 84-6081

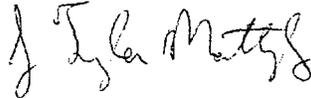
March 11, 2004

eliminate any further occurrences of this nature. Due to these changes, our activities regarding the turnaround and processing of routine items have increased dramatically and we are exceeding applicable requirements as of the date of this letter. Additionally, we have implemented intensive monitoring of the processing of items for transfer on a weekly basis to ensure continuing compliance.

We continue to endeavor to remain in compliance with all applicable laws, rules, and regulations and regret this incident. Should you have any questions regarding this issue, please do not hesitate to contact the undersigned at (770) 243-8471.

Thank you in advance for your attention and understanding in this matter.

Sincerely,



Tyler Mattingly
Operations Principal

Cc: Richard Wessel, SEC, Atlanta District Office
Timothy S. Johnson, Esquire, ReedSmith

jfk

March 30, 2004

Division of Market Regulation
United States Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20546

**Subject: Wells Capital, Inc. – Transfer Agent (SEC No. 84-6081)
Form TA-2 under Section 17A**

To Whom It May Concern:

In accordance with Section 17A of the Securities Exchange Act of 1934, and the rules promulgated thereunder (the “Exchange Act”), Wells Capital, Inc. (the “Company”), a registered transfer agent, files the enclosed Form TA-2 for the transfer agent activities that ended on December 31, 2003.

In connection with this filing, we felt that an explanation of a few items was warranted. In May 2003, the Atlanta District Office of the Securities and Exchange Commission completed an examination of Wells Investment Securities, Inc. (“WIS”). The deficiency letter issued in connection with that examination noted that the Company was operating as an unregistered transfer agent with respect to the issues of the Wells Real Estate Investment Trust (“REIT”) and the various Wells Limited Partnerships (“LPs”) in that the Company was performing transfer functions for the REIT and LP interests and was maintaining the ownership records of LP units and REIT shares. Thus, the deficiency letter concluded with a recommendation that the Company register as a transfer agent. Accordingly, Wells Capital, Inc. filed its TA-1 and, on June 20, 2003, was declared effective by the SEC as a registered transfer agent.

The period following the declared effective date of registered transfer agency activities for the Company was filled not only with traditional servicing activities but also with learning an entirely new, and heavily regulated, environment for those activities. One of the principal challenges facing the Company at that time was the need to develop and employ appropriate mechanisms to effectively monitor turnaround, processing and forwarding requirements of Rule 17Ad-2(a) of the Act of 1934. Unfortunately, appropriate mechanisms were not initially in place.

Due in part to this lack of monitoring, it is now clear that the Company did not meet the turnaround requirements of Rule 17Ad-2 for the entire seven-month period in 2003 (or portions of a month in the case of June 2003). In addition, the lack of monitoring capabilities resulted in

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Wells Capital, Inc. (SEC No. 84-6081)
March 30, 2004
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a failure to note and to timely report this compliance failure. The Company now has monitoring capabilities in place and has taken other remedial measures to assure that this failure will not continue. Thus, in March of this year, the Company filed the required notice regarding its failure to comply with Rule 17Ad-2 for the month of February 2004. Additionally, the Company has increased the staffing for this function and has increased the training for this staff such that the Company has been able to fully comply with Rule 17Ad-2 to date in March 2004, rather than just timely report our failure to comply.

As a further complication, Wells Real Estate Funds introduced a new issue, Wells Real Estate Investment Trust II ("REIT II") that became effective in November 2003. Wells Capital, Inc. acts as the transfer agent, even though to do so is technically in violation of Rule 17Ad-3.

We take our obligations as a registered transfer agent very seriously and have continuously worked to improve our performance and compliance. We have retained outside counsel to assist us in developing our policies and procedures as well as an appropriate compliance regimen. We are now confident in our ability to discharge our obligations under applicable provisions of the Exchange Act. We sincerely hope that the staff will favorably receive our candor in this matter and that we will be permitted to demonstrate our new compliance aptitude from this time forward.

If you have any questions or require any additional information, please do not hesitate to contact the undersigned.

Sincerely,



J. Tyler Mattingly
Operations Principal

Cc: Kirk Montgomery, Esquire, Legal & Compliance Vice-President
Patricia A. Elebash, Chief Compliance Officer
Timothy S. Johnson, Esquire, Reed Smith LLP
Danielle Ryea, Attorney Advisor, SEC, Atlanta District Office

Enclosure

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